

# 2010 Legislative Review



# **Bill Hinkle & Judy Warnick**

**13th District State Representatives** 

Dear Friends and Neighbors,

The 2010 legislative session went into overtime this year when majority Democrats could not come to an agreement on the budget or how to raise your taxes. **We opposed the \$800 million tax package**, and stood up for the Taxpayers' Protection Act, which was suspended by the majority party.

#### Highlights:

- The Legislature passed, and the governor signed into law, a bill to speed up the processing of water rights applications.
- We supported a constitutional amendment to give judges discretion to deny bail to dangerous suspects facing a life sentence. This measure will go to you, the voters, in November.
- Several taxes aimed at the agricultural industry did not pass.

#### Lowlights:

- The majority party voted to suspend Initiative 960, known as the Taxpayers' Protection Act. We voted no, and stood up for 10 hours to debate the destruction of this voter-approved initiative.
- The supplemental budget passed by majority Democrats continued the unsustainable spending practices of the past. We voted "no."
- The Legislature considered more than 70 tax and fee proposals. We voted against the \$800 million tax increase on employers and working-class families.
- The Senate held a public hearing on an **income tax proposal**, giving the public less than 12 hours notice. Fortunately this proposal did not move forward.

It is good to be back home and amongst all of you. We look forward to talking with all of you about how we can transform our state government and respond to the people and taxpayers we represent in Olympia. We are happy to visit your group and provide a summary of this year's session. Please contact our offices to schedule a meeting.

Sincerely,

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# 13th District Representatives Bill Hinkle & Judy Warnick

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## **CONTACT US**

We love to hear from you, whether you have suggestions, concerns or questions, it is our job to listen and represent you. Please feel free to call, e-mail, or follow us on our Web sites.

#### Rep. Judy Warnick

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To sign up for our periodic e-mail updates, visit our Web sites (listed above) and click on on the right side of the page.

## Join us for a telephone town hall!

We have held several community conversations over the phone, and due to their high participation and popularity, we will be holding another one this year. We hope you'll join us!

#### **SAVE THE DATE**

June 10, 6:50-7:50 p.m. • Call toll-free 1-877-229-8493, then enter pin 15542#.

# Rep. Bill Hinkle • Rep. Judy Warnick

### **2010 Session Review**

#### **BUDGET AND TAXES**

Despite all the rhetoric, at the end of the day, <u>state spending has decreased by only 0.8 percent from last year's budget</u>. When compared to the private sector, where over 189,000 jobs have been lost since the beginning of the recession in February of 2008, this small cut in state spending represents a serious disconnect from reality.

We offered the majority party over \$750 million in government reforms and efficiencies, but were ignored. And, because their budget solution to our state's \$2.8 billion shortfall relies so much on one-time money, the practice of adopting unsustainable and unrealistic budgets continues. As a result, **we will most likely see another multi-billion dollar shortfall next session**. This is not responsible governing; this is not accountable leadership.

Families and employers were hit especially hard as the Democrat majority passed new and increased taxes amounting to nearly \$1.7 billion for the 2011-13 budget cycle (\$794 million in just the first year alone). This is **the largest tax increase in state history** and will further hamper our state's economic recovery and lead to more job losses.

## **TAX INCREASES, NEXT YEAR AND 2011-13**

Tax increase on:	Next year:	2011-13
service employers, including real estate agents, hair stylists, veterinarians and other employers	\$242 million	\$483 million
cigarettes (\$1/pack increase) and other tobacco products	\$101 million	\$198 million
beer (28 cent increase per six pack)	\$59 million	\$118 million
bottled water	\$32.6 million	\$69 million
candy and gum	\$30.5 million	\$62.4 million
soda (2 cent increase per 12 oz.)	\$33.5 million	\$72.4 million
certain canned meat products	\$4.1 million	\$8.8 million
livestock nutrient management	\$1.3 million	\$2.8 million

We continue to believe that tax increases are not the answer to our state's budget problems. State government has grown too big, too fast and state spending must come back into alignment with state revenues.

#### **AGRICULTURE & WATER**

We are pleased the Legislature approved and the governor signed into law a bill that would allow for faster **processing of water rights applications**. When the law goes into effect in July, it will result in more water applications being processed and encourage the Department of Ecology to contract with the private sector to complete some analysis and technical work on the applications.

A proposal was introduced to increase the **hazardous substance tax**, which would have affected the cost of gasoline, fertilizer and pesticides, **dealing a triple-blow to growers in our state**. We fought hard against this tax increase and were pleased to see it removed from the final tax package.

We introduced and supported legislation aimed at addressing current and future well moratoriums in the state. One bill would have required the Department of Ecology to provide evidence before imposing another well moratorium. Another would have tied local planning to water availability and provided a better mechanism for local governments to plan for economic growth. Yet

another would have allowed property owners under a well moratorium to be **reimbursed** 



in property taxes for the loss in value of property. Unfortunately, all three of these proposals stalled in the Legislature. We remain committed to working with the Department of Ecology and local governments to come to an agreement on exempt wells and economic growth.